

Missouri Agriculture Prevailing Wage Survey 2008



Introduction	1
About the H-2A Prevailing Wage Survey	
Methodology	2
Target population	
Instrument design	
Data Collection	
Disclosure	
Data accuracy	
Survey Results	3
Recruiting Workers	
Crops and Workers	
Salaries Paid	
Housing	
Transportation	
Conclusion	6
Appendix A Pay Rate Responses	7
Appendix B Cover Letter	8

Introduction

The Missouri Prevailing Wage Agriculture Survey was conducted by the Missouri **Department of Economic Development's research arm, the Missouri Economic** Research and Information Center (MERIC) in cooperation with the U.S. Department of Labor, Division of Foreign Labor Certification. The purpose of this survey was to gather data to determine the agricultural prevailing wage in Missouri. The prevailing wage rate or hourly wage is based on analysis of the data collected from this survey using U.S. Department of Labor formulas. The results will be used for the H-2A federal program. Specifically, the data will assist in implementing the Seasonal Agricultural Worker Program by determining prevailing wage rates in the agriculture sector and to insure that both U.S. and foreign workers receive equal pay.

The 2008 Missouri Prevailing Wage Agriculture Survey provides data for Missouri temporary migrant and/or seasonal agriculture workers. Data contained in this survey was extracted from data obtained from a sample of the North American Industry Classification System (NAICS) for Agriculture, Forestry, Fishing and Hunting agriculture industry. Data represents input from Missouri farmers from 115 counties.

About the H-2A Prevailing Wage Survey

For purposes of foreign labor certification, a prevailing wage is defined as the average wage paid to similarly employed workers in the requested occupation in the area of intended employment. *Agricultural Foreign Labor Certification* - Agricultural employers who anticipate a shortage of U.S. workers may file an application requesting temporary foreign agricultural labor certification.

Employers are required to pay the highest of Federal/State minimum wage, Adverse Effect Wage Rate (AWER) or the Prevailing Wage Rate. In order to establish the prevailing wage rate surveys must be conducted for each agricultural crop activity in which certification is sought.

Changes in the enforcement of immigration laws by the Department of Homeland Security, Social Security Administration regulations, and proposals for major immigration law reform can reduce the number of people looking for seasonal agricultural jobs in the United States.

The H-2A program permits agricultural employers to apply for non-immigrant foreign workers (guest workers) to perform any type of farm work of a seasonal or temporary nature. The H-2A program is designed to ensure employers a legal and adequate labor force while protecting the jobs and wages of U.S. workers.

Target population

The target population was defined as agriculture operations in all 115 Missouri counties. Due to the lack of an existing comprehensive database, MERIC created a custom database using the following resources:

- A sample drawn from the Quarterly Census of Employment & Wages (QCEW) database
- Previous H2A applications
- Agriculture associations
- Previous agriculture surveys
- Internet websites
- Employer database in MERIC Workforce Information Database

Operations who did not hire temporary migrant or seasonal farm workers were considered out of scope in calculating wage data but were used in gathering area agriculture production data.

Instrument design

There were several survey forms from other states that were reviewed. MERIC modified the prevailing wage survey from the State of Michigan. The Michigan survey, developed by the Michigan Department of Labor and Economic Growth, offered questions for prevailing wage data and data on what crops/livestock counties engage in.

The sample frame consisted of the 2,127 establishments MERIC could locate contact information for in Missouri. The database covered all 115 counties and all businesses that had covered employment in the North American Industry Classification System (NAICS) in the Agriculture, Forestry, Fishing and Hunting industries within the QCEW database.

Data Collection

Data collection for this reference period was October 10, 2008 to December 15, 2008. Responding to this survey was voluntary. The data were obtained using a mail survey of Missouri farmers. Each establishment surveyed had the option of returning the completed form in a postal paid envelope, completing it online at a designated internet site, or responding by phone.

Disclosure

Due to the Federal Privacy Act; it is prohibited by law from releasing any data which would divulge information obtained that relates to any identifiable person, business or organization without the prior knowledge or the consent in writing of that person, business or organization. Various confidentiality rules are applied to all data that are released or published to prevent the publication or disclosure of any information

deemed confidential. If necessary, data are suppressed to prevent direct or residual disclosure of identifiable data.

Data accuracy

Survey estimates may contain non-sampling errors. Non-sampling errors are not related to sampling and may occur for many reasons. Population coverage errors, differences in the interpretation of questions, incorrect information from respondents, and mistakes in recording, coding and processing data are examples of non-sampling errors. Non-response is an important source of non-sampling error. While the impact of non-sampling errors is difficult to evaluate, measures such as response rates and imputation rates can be used as indicators of the potential level of non-sampling error.

Survey Results

A total of 2,127 units were sampled with 555 completed surveys. A total of 99 surveys were completed on the internet, 423 completed surveys were returned to us in the mail, and 33 responses we received over the phone. From our survey results, only 7 of the 90 who reported employing part-time or immigrant workers said they participated in the H-2A Federal Prevailing Wage Program. Of those 7, the lowest reported wage per hour was \$9.44 and the highest wage per hour was \$13.25.

Response Rate Calculation¹

Description	Telephone Numbers
A. Total number released	2,127
B. Completed surveys	555
C. Disconnected	
D. Fax	
E. Communication barriers	
F. Wrong numbers	201
G. Refusals (after two attempts)	27
H. Ineligible¹	465
I. Ring No Answer²	82
J. Callbacks³	10
Response Rate (RR) = B/B+G+J = 94%	

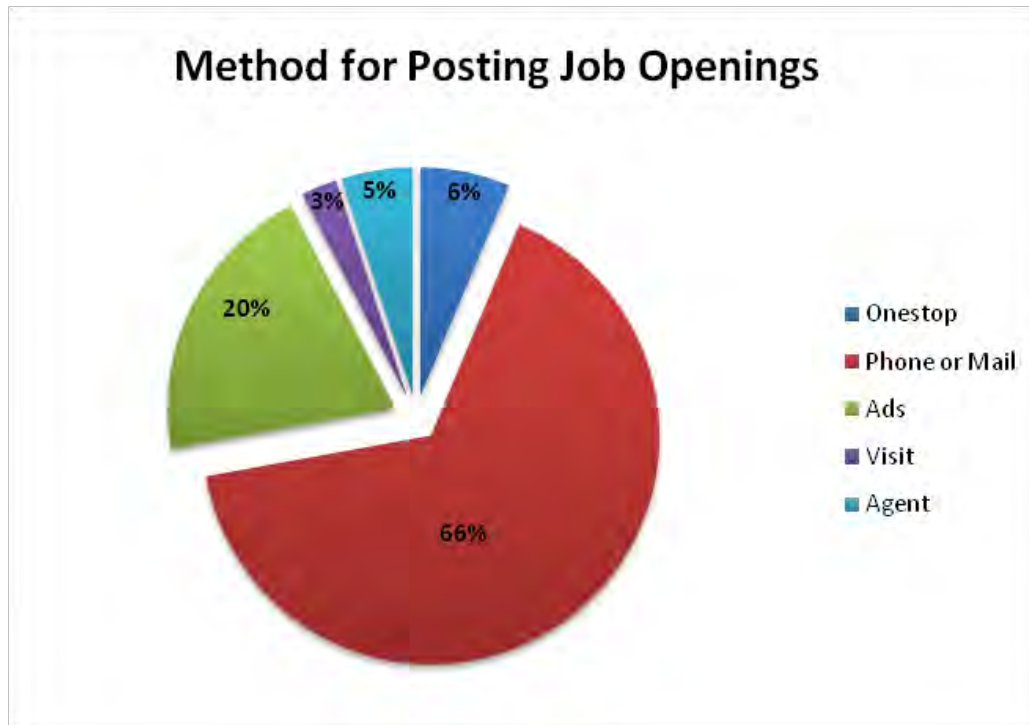
Notes:

1. Ineligible numbers are defined as those that did not fall into the category of agricultural companies.
2. Ring-no-answers are defined as those in which no one answered to any of the fifteen attempts made during the period when the project was implemented.
3. Callbacks are defined as the numbers in which someone answered during the project implementation period but a callback was scheduled because the selected person was not available.

¹ The American Association for Public Opinion Research, 1998. *Standard Definitions: Final Dispositions of Case Codes and Outcomes Rates for RDD Telephone Survey and In-Person Household Surveys*. Ann Arbor, Michigan: AAPPOR

Recruiting Workers

Missouri farmers report that they recruit their temporary workers in several ways. Fifty-two (66%) of the farmers reported they contact former workers by phone or mail to recruit them, sixteen (20%) recruit by placing ads in newspapers, etc, while only two (3%) reported they recruit by visiting areas where workers live. Three other recruitment methods used are: One-stop career centers, personal visits and using an agent.



Crops and Workers

Cotton is the number one crop in Missouri that temporary workers are hired for. The remaining top 5 crops are bedding plants, all crops, apples, and cattle. Missouri hires temporary workers for over thirty different crops and livestock jobs.

Crop	Temporary Workers	Crop	Temporary Workers
Cotton	164	Strawberries	20
Bedding	121	Watermelons	20
All Crops	69	Beans	17
Apples	54	Corn	17
Cattle	54	Sod	13
Grapes	43	Peaches	11
Trees	35	Soybeans	9

Salaries Paid

Most Missouri temporary/migrant farmers are paid by the hour for their work. The amount of money the workers are paid depending on the type of crop or livestock they are tending.

Lowest Rate Per Hour By Crop		Highest Rate Per Hour by Crop	
Blackberries	\$4.50	Fruit	\$13.25
Cattle	\$5.00	Watermelon	\$11 - \$13
Perennials	\$6.50	Beans	\$12.00
Trees	\$6.50	Cotton	\$8-12.00
Melons	\$6.50	Corn	\$11.00
Cantaloupes	\$6.50	Soybeans	\$11.00

Temporary/migrant farm workers are not always paid an hourly salary. The type of crop or livestock and the employer may affect the method that workers are paid.

- Strawberries – paid by piece rate
- Hay bales – paid hourly, piece rate, yearly salary
- Apples – paid per bin, piece rate, hourly
- Blueberries – paid per pound
- Cotton – paid by day, hourly
- All other crops/livestock usually paid per hour

Housing

Only 16 employers who hired temporary/ immigrant farm workers provided some type of housing for their workers. Eight employers provided for single workers. Only 1 employer provided family housing and 7 provided for both single and family housing. From those employers who provided housing, only 2 charged their employees for the utilities at their housing site and no one required a security deposit.

Transportation

Since many of the temporary/ migrant farm workers do not live close to their employer, transportation many times is another benefit paid to the employees. From those responding to the survey, 10 employers reported providing transportation to their workers, 6 provided cash for them to pay their transportation costs, 1 provided cash or a bus ticket, 2 provided bus tickets, and 1 provided reimbursement of their travel.

Conclusion

The purpose in conducting this survey was to help determine an agriculture prevailing wage for the State of Missouri. Missouri has over 106,000 farms and more than 29,000,000 acres in farmland making agriculture **Missouri's number one industry and** largest employer. Agriculture production contributes over \$1.9 Billion in sales to the state.² Due to the number of seasonal workers in the agriculture industry, some areas of the state reports shortages of workers and file H-2A applications. It is due to these H-2A applications that Missouri conducted this survey in order to provide accurate and fair wage data for payment to these H-2A applicants.

The results from our survey and the number of units we were able to physically locate to mail surveys were lower then what we had anticipated. As MERIC acquires a more extensive list of contacts in the agriculture industry outside of those few listed in the QCEW database, there will be a continued effort to increase the number of employers in the Agriculture database to be used for future surveys.

² USDA, National Agriculture Statistics Service

Crop	Number Employed	Rate of Pay	Type of Pay
ALL CROPS	10	\$5.90-\$10.00	Per hour
ALL CROPS	48	\$8.50	Per hour
ALL CROPS		\$0.00	Per hour
APPLES	4	\$2.50	Piece Rate
APPLES	1	0.00	Per hour
APPLES	2	0.00	Per hour
APPLES	6-10	\$0.00	Per hour
APPLES		7.50	Per hour
APPLES	50	7.50	Per hour
BEDDING PLANTS	2	\$6.50	Per hour
BEDDING PLANTS		\$0.44	Per hour
BEDDING PLANTS	6-10	\$0.00	Per hour
BEDDING PLANTS	11-15	0.50	Per hour
BEDDING PLANTS	5	\$30.00	Per hour
BEDDING PLANTS	5	0.00	Per hour
BEDDING PLANTS	1	0.00	Per hour
BULB PLANTS	2	0.65	Per hour
CATTLE	1	\$8.75	Per hour
CHRISTMAS TREES	2	\$10.00	Per hour
CHRISTMAS TREES		7.00	Per hour
CORN	1	\$0.00	Per hour
CORN	4	\$1.00	Per hour
CORN, SOYBEAN, WHEAT	1	\$0.00	Per hour
COTTON	3	\$7.50	Per hour
COTTON	3	\$8-\$9	Per hour
COTTON	6	8.50	Per hour
COTTON	30	\$6.65	Per hour
COTTON	5	9.00	Per hour
COTTON	5	9.00	Per hour
COTTON	6	\$6-\$8.90	Per hour
COTTON	75	\$7.06	Per hour
COTTON	7	7.65	Per hour
COTTON	15	\$7.50	Per hour
COTTON	3	8.00	Per hour
COTTON	5	90.00	Per day
COTTON	4	0.00	Per hour
COTTON	2	7.50	Per hour
COTTON	30	7.50	Per hour
DAYLILIES	1	9.00	Per hour
FRUIT	1	\$13.25	Per hour
GRAPES	3-10	7.50	Per hour
GRAPES	10	7.00	Per hour
GRAPES	1	\$30.00	Per hour
GRAPES		10 CENTS	Piece Rate
GRAPES	8	7.00	Per hour
GRAPES	8	\$9.95	Per hour
GRAPES	5	0.00	Per hour
HAY	1	\$0.00	Per hour
HAYBALES	3-4	\$0.00	Per hour
HIGH COVER CROPS	1-5	0.00	Per hour
LANDSCAPING	4	\$12.00	Per hour
NUCLES		\$6.50	Per hour
PEACH	1	\$0.44	Per hour
PEACHES	7	7.00	Per hour
PEACHES	7	8.00	Per hour
PERENNIALS		\$6.50	Per hour
PERENNIALS		\$6.50	Per hour
PLANTS	6	7.50	Per hour
RICE	8	\$0.50	Per hour
SOY	13	\$8.95	Per hour
STRAWBERRY	10-20	.50	Piece Rate
WALK CROPS	1-3	7.50	Per hour
TREES	10	9.95	Per hour
TREES	1	8.00	Per hour
TREES	1	8.00	Per hour
TREES	6	\$0.44	Per hour
TREES	7	\$8.00	Per hour
TREES	1	8.00	Per hour
TREES & PLANTS		8.00	Per hour
WATER LILY	20	\$1.1 - \$1.3	Per hour

Dear Crop Grower/Livestock Handler:

The Missouri Department of Economic Development's research arm, the Missouri Economic Research and Information Center, in cooperation with the U.S. Department of Labor, Division of Foreign Labor Certification, is conducting an agricultural survey. The purpose is to gather data to determine the agricultural prevailing wage in Missouri. The prevailing wage rate or hourly wage will be based on an analysis of the data collected from this survey using U.S. Department of Labor formulas. The prevailing rates are used for the H-2A Program to insure that U.S. and foreign workers receive equal pay.

The **confidential** information you supply to us is protected by the **Federal Privacy Act**. It is combined with other growers/handlers within Missouri to insure that no individual employer can be identified.

In order to report accurate data, we ask that you complete the survey based on your harvest or production season. If this is not your typical harvest/production season, please complete this survey based on last years.

Please return the completed survey within 14 days. A self-addressed stamped envelope is enclosed for your convenience. If you would like to complete this survey online, please log one to our website at: <http://www.missourieconomy.org/form.html>

For assistance or information about this survey, please contact Betty Brown at betty.brown@ded.mo.gov or 573-751-3616.

Your participation in this survey is greatly appreciated and will insure that an accurate wage rate is established.

Sincerely,



Marty Romitti, Ph.D

MERIC Director



Missouri Economic Research & Information Center
P.O. Box 3150
Jefferson City, MO 65102-3150

TEL: 1-866-225-8113

FAX: (573) 751-7160

E-MAIL: MERICData@ded.mo.gov

